UNITED STATES PATENT AND TRADEMARK OFFICE

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/053,304	11/07/2001	David P. Vellante	ITC 2-002	5800

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EXAMINER
JABR, FADEY S

ART UNIT	PAPER NUMBER
3639	

DATE MAILED: 10/04/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

	Application No.	Applicant(s)
Office Action Summary	10/053,304	VELLANTE ET AL.
	Examiner	Art Unit
	Fadey S. Jabr	3639

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE _3_ MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.
- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
  Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on _26 June 2006_.

2a)☐ This action is **FINAL.**   2b)☒ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) _1-14 and 27-30_ is/are pending in the application.

    4a) Of the above claim(s) _15-26_ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) _1-14_ is/are rejected.

7)☒ Claim(s) _27-30_ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

    Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

    Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

    a)☐ All b)☐ Some * c)☐ None of:

      1.☐ Certified copies of the priority documents have been received.

      2.☐ Certified copies of the priority documents have been received in Application No. _____.

      3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

    * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1)☒ Notice of References Cited (PTO-892)

2)☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)

3)☐ Information Disclosure Statement(s) (PTO/SB/08)
    Paper No(s)/Mail Date _____.

4)☐ Interview Summary (PTO-413)
    Paper No(s)/Mail Date. _____.

5)☐ Notice of Informal Patent Application

6)☐ Other: _____.

DETAILED ACTION

Status of Claims

Claims **1 and 27** have been amended. Claims **1-14 and 27-30** remain pending and are

again presented for examination.

Response to Arguments

1.   Applicant's amendments filed 26 June 2006, with respect to 35 U.S.C. 112, second

paragraph, have been fully considered and are therefore withdrawn.

2.   Applicant's arguments, see pages 14-15 of the arguments, filed 26 June 2006, with

respect to 35 U.S.C. 101 have been fully considered and are persuasive. The rejection of claims

1-14 and **27-30** has been withdrawn.

3.   Examiner acknowledges receipt of the information sent by the Applicant in response to

the Requirement for Information Under 37 C.F.R. § 1.105.

4.   Applicant's arguments, with respect to the Nonstatutory Double Patenting rejection, have

been fully considered but the rejection is upheld.

Drawings

The drawings were received on 26 June 2006. These drawings are acceptable.

Allowable Subject Matter

5.   Claims **27-30** would be allowable over the prior art of record if the claims overcome the

35 U.S.C. 112 and 35 U.S.C. 101 rejections, and are therefore objected to.

Claim Rejections - 35 USC § 112

6.   Claims **5, 8 and 27** are rejected under 35 U.S.C. 112, second paragraph, as being

indefinite for failing to particularly point out and distinctly claim the subject matter which

applicant regards as the invention.

As per **Claim 5**, the recitation "other cost" is vague and indefinite. It is unclear to the

Office what other costs consists of. Appropriate correction is required in the indicated claim and

any subsequent claims.

As per **Claim 8**, the recitation "other staff" is vague and indefinite. It is unclear to the

Office what other staff consists of. Appropriate correction is required in the indicated claim and

any subsequent claims.

As per **Claim 27**, Claim **27** recites the limitation "the product of the number of..." in

lines 4, 6 and 9. There is insufficient antecedent basis for this limitation in the claim.

Appropriate correction is required in the indicated claim and any subsequent claims.

Claim Rejections - 35 USC § 101

7.   35 U.S.C. 101 reads as follows:

> Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or
> any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and
> requirements of this title.

In determining whether the claimed subject matter is statutory under 35 U.S.C. 101, a practical application test should be conducted to determine whether a "useful, concrete and tangible result" is accomplished. See *AT&T Corp. v. Excel Communications, Inc.*, 172 F.3d 1352, 1359-60, 50 USPQ2d 1447, 1452-53 (Fed. Cir. 1999); *State Street Bank & Trust Co. v. Signature Financial Group, Inc.*, 149 F.3d 1368, 1373, 47 USPQ2d 1596, 1600 (Fed. Cir. 1998).

An invention, which is eligible or patenting under 35 U.S.C. 101, is in the "useful arts" when it is a machine, manufacture, process or composition of matter, which produces a concrete, tangible, and useful result. The fundamental test for patent eligibility is thus to determine whether the claimed invention produces a "use, concrete and tangible result". The test for practical application as applied by the examiner involves the determination of the following factors"

(a) "Useful" – The Supreme Court in *Diamond v. Diehr* requires that the examiner look at the claimed invention as a whole and compare any asserted utility with the claimed invention to determine whether the asserted utility is accomplished. Applying utility case law the examiner will note that:

i. the utility need not be expressly recited in the claims, rather it may be inferred.

ii. if the utility is not asserted in the written description, then it must be well established.

(b) "Tangible" – Applying *In re Warmerdam*, 33 F.3d 1354, 31 USPQ2d 1754 (Fed. Cir. 1994), the examiner will determine whether there is simply a mathematical construct claimed, such as a disembodied data structure and method of making it. If so, the claim involves no more than a manipulation of an abstract idea and therefore, is nonstatutory

under 35 U.S.C. 101. In *Warmerdam* the abstract idea of a data structure became capable

of producing a useful result when it was fixed in a tangible medium, which enabled its

functionality to be realized.

(c) "Concrete" – Another consideration is whether the invention produces a "concrete"

result. Usually, this question arises when a result cannot be assured. An appropriate

rejection under 35 U.S.C. 101 should be accompanied by a lack of enablement rejection,

because the invention cannot operate as intended without undue experimentation.

As currently recited the claims appear to be nothing more than a series of determining

steps, determining a variety of values, costs and uplift factors. While these steps may be useful,

there does not appear to be any tangible result. Consequently, the claims are non-statutory for

failing to recite a tangible result.

Claim Rejections - 35 USC § 103

8.   The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all

obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in
> section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are
> such that the subject matter as a whole would have been obvious at the time the invention was made to a person
> having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the
> manner in which the invention was made.

9.   Claims **1-14** are rejected under 35 U.S.C. 103(a) as being unpatentable over Feria et al.,

U.S. Patent No. 7,020,621 B1.

As per **Claim 1**, Feria et al. discloses a method comprising:

- determining a user value contribution of said application as an internal user cost and an external user cost (C. 1, lines 10-23, C. 6, line 10 – C. 7, line 30);

- determining an unavailability value for said application (C. 14, line 54 – C. 15, line 4);

- determining a potential total loss value for said application (C. 17, lines 11-15); and

- determining said net value as said total value for said application less said total IT budget, said internal user cost, said potential total loss, and said inflexibility (C. 1, lines 21-23).

Feria et al. fails to explicitly disclose determining a breakout of said total IT budget by assigning a number of select cost categories therefrom and for each such cost category determining a total budget value; determining a breakout of staffing costs and resources by deriving a select number of staff function costs and combining said function designated costs to provide an IT budget corresponding with said total IT budget; and determining a total value for said application by deriving an uplift factor for said application, determining a base application value with respect to said internal user cost and then deriving the product of said base application value and said uplift factor and combining said product with said external user cost.

However, Feria et al. discloses a variety of cost categories (labor costs, indirect and direct costs, etc.), which are part of an overall budget for determining the value of the application to the business (C.10, line 55 – C.13, line 57). Feria et al. further discloses staff costs (support and help desk) and resources (bandwidth and training), which are part of an overall IT budget (C. 14, line 55 – C. 18, line 37). Furthermore, Feria et al. discloses standardizing (put under a format that

allows one to compare the data elements with a format that allows one to compare the data

elements with others and do benchmarking to depict typical values for each data elements and

metric) (C. 2, lines, 38-41). Feria et al. further discloses internal and external costs associated

with a number of cost categories, which are used to determine an overall IT budget (C. 6, line 10

– C. 10, line 16). The internal and external costs of Feria et al. are standardized and combined to

form an overall IT budget (C. 10, lines 55-67). Therefore, it would have been obvious to one of

ordinary skill in the art at the time of applicant's invention to modify the method of Feria et al.

and include determining a number of cost categories and their associated costs in order to

calculate an overall IT budget, because it allows a company to budget for an IT application by

determining all their direct and indirect costs associated with implementing a new application.

As per **Claim 2**, Feria et al. discloses preparing an analysis of said at least one application

including at least one of the group comprising; said net value, said breakout of said total IT

budget, said breakout of staffing costs and resources, said unavailability value, said potential

total loss value, and said inflexibility value (C. 17,lines 11-15).

As per **Claim 3-4**, Feria et al. fails to explicitly disclose determining a user value

contribution of said application derives said internal (external) user cost as the number of internal

(external) users of said application multiplied by the internal (external) user salary, in turn,

multiplied by the percent of internal (external) active concurrent users. However, Feria et al.

discloses determining the cost (salaries of end users) of users who do not perform their core role

(C. 9, lines 35-39). Further, Feria et al. discloses the average corporate salary, support desk costs

per FTE (full-time equivalent) which can be used to determine the cost associated with their

specific functions in order to determine an overall IT budget (Table 33). Therefore, it would

have been obvious to one of ordinary skill in the art at the time of applicant's invention to

modify the method of Feria et al. and include determining a user value by the number of users

and their associated costs (salaries), because it provides a cost to the company of employing that

user versus the benefit they receive from that user employing that application.

As per **Claim 5**, Feria et al. discloses determining a breakout of said information

technology budget by assigning a number of select categories therefrom, assigns at least one said

select category from the group consisting of; fully loaded staff cost, hardware cost, software cost,

network cost, consulting cost, and other (C. 4, lines 43-51).

As per **Claim 6**, Feria et al. discloses determining a breakout of said information

technology budget includes the steps of: determining internal budget splits for each said select

category; and determining budget splits for each said select category (C. 7, lines 59-65, C. 9,

lines 5-25, C. 13, lines 10-13).

As per **Claim 7**, Feria et al. fails to explicitly disclose determining a user value

contribution of said application determines a said total budget value for each said cost by

summing said internal budget splits for each said category with respective said budget splits

corresponding therewith. However, Feria et al. discloses summing all cost category budgets

including outsourced management fees such as strategic and tactical consulting (C. 7, lines 64-

65, C. 11, lines 49-57). Therefore, it would have been obvious to one of ordinary skill in the art at the time of applicant's invention to modify the method of Feria et al. and include determining a user value by summing all cost category costs including outsourced costs, because it allows the company to take into effect all the costs associated with providing the application.

As per **Claim 8**, Feria et al. fails to explicitly disclose determining a breakout of staffing costs and resources derives said select number of staff function costs from the function group comprising: senior manager staff, new development staff, maintenance development staff, operations staff, technical staff, and other staff. However, Feria et al. discloses several staff function costs (support staff, help desk, accounting, etc) (C. 10, line 53- C. 12, line 21, C. 16, lines 50-67). Therefore, it would have been obvious to one of ordinary skill in the art at the time of applicant's invention to modify the method of Feria et al. and include several staff function costs, because it provides the a breakdown of all the staff costs associated with determining an overall IT budget.

As per **Claim 9-11 and 14**, Feria et al. fails to explicitly disclose determining a breakout of staffing costs and resources includes the step of deriving the gross cost of internal (outsourced) staff for each said function of said select number of staff function costs. However, Feria et al. discloses the total cost of support desk and outsourced management fees such as strategic and tactical consulting (C. 7, lines 64-65, C. 10, line 53 – C. 12, line 21). Therefore, it would have been obvious to one of ordinary skill in the art at the time of applicant's invention to

modify the method of Feria et al. and include determining an overall staff cost, because it

provides an overall staff function cost associated with the IT budget.

As per **Claim 12**, Feria et al. fails to explicitly disclose determining a breakout of staffing

costs and resources includes the steps of: determining the percents by cost for each said gross

cost of internal staff for each said function by dividing each corresponding internal staff gross

cost by said summarized internal staff gross cost; and determining the percents by cost for each

said gross cost of staff for each said function by dividing each corresponding gross cost by said

summarized staff gross cost. However, Feria et al. discloses determining support costs by

dividing the total costs of support desk by the total number of hours a user works on average per

year (C. 7, lines 56-65, C. 10-line 53 – C. 12, line 21). Therefore, it would have been obvious to

one of ordinary skill in the art at the time of applicant's invention to modify the method of Feria

et al. and include determining a percentage of staff costs by dividing staff costs by an overall

staff cost, because it provides an indicator of the amount the staff cost is associated with an

overall staff cost.

As per **Claim 13**, Feria et al. discloses determining the fully loaded cost of said internal

and outsourced staff (C. 12, lines 36-57). Feria et al. fails to explicitly disclose determining a

normalized value for each said gross cost of internal staff for each said function to provide

normalized internal staff gross costs by multiplying such gross cost by the corresponding said

percents by cost for internal staff; and determining a normalized value for each said gross cost of

staff for each said function to provide normalized staff gross costs by multiplying said gross cost

by the corresponding said percents by cost for staff. However, Feria et al. discloses determining

a support cost ratio, where the total support costs are divided by the total number of hours a user

works on average per year, where the ratio can be used to provide an estimating guideline (C. 2,

lines 37-42, C. 11, lines 34-45). Therefore, it would have been obvious to one of ordinary skill

in the art at the time of applicant's invention to modify the method of Feria et al. and include

standardizing the cost categories values, because it provides a benchmark in which to estimate

the staff costs.

Conclusion

Examiner's Note: Examiner has cited particular columns and line numbers in the

references as applied to the claims below for the convenience of the applicant. Although the

specified citations are representative of the teachings in the art and are applied to the specific

limitations within the individual claim, other passages and figures may apply as well. It is

respectfully requested that the applicant, in preparing the responses, fully consider the references

in entirety as potentially teaching all or part of the claimed invention, as well as the context of

the passage as taught by the prior art or disclosed by the examiner.

Any inquiry concerning this communication or earlier communications from the

examiner should be directed to Fadey S. Jabr whose telephone number is (571) 272-1516. The

examiner can normally be reached on Mon. - Fri. 7:30am to 4:00pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's

supervisor, John Hayes can be reached on (571) 272-6708. The fax phone number for the

organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent

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> Fadey S Jabr
> Examiner
> Art Unit 3639

FSJ

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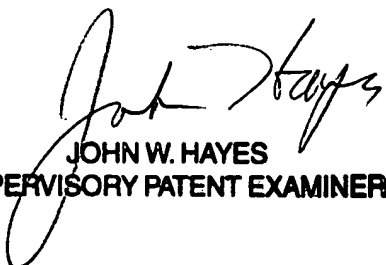follows:

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JOHN W. HAYES
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